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China - Peoples Republic of

LIVESTOCK AND PRODUCTS SEMI-ANNUAL

FAS Beijing 2010

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Report Highlights:

FAS Beijing forecasts China's beef production in 2010 will fall five percent due to a continued fall in China's cattle herd. High Chinese beef prices will boost beef imports, with beef imports forecast to jump one-third to 30,000 metric tons (MT). Beef exports are forecast to slide 25 percent to 28,000 MT due to high Chinese beef prices. Rising swine and productive sow inventories and a stronger Chinese economy in 2010 will boost Chinese pork production four percent to 50.6 million MT. Despite higher domestic production, Chinese pork imports will rebound from sharply lower levels in 2009 to 220,000 MT, fueled by stronger demand in 2010. China's live swine and pork exports in 2010 are forecast to increase four and three percent respectively to 1.78 million head and 240,000 MT, bolstered by higher sales to Hong Kong.

Executive Summary:

FAS Beijing forecasts China's total meat production in 2010 will rise another three percent to 77.5 million metric tons (MMT) following a three percent increase in the previous year, as higher pork production more than offsets further declines in Chinese beef supplies.

China's beef production is estimated to continue falling to 5.5 MMT in 2010, down five percent from the year before, as comparatively low farm returns dampen enthusiasm for raising beef cattle. Post forecasts China's 2010 beef imports will increase nearly one-third to 30,000 MT, encouraged by continued high prices in the Chinese beef market. Meanwhile, reduced supplies and high prices will drive further declines in Chinese beef exports to 28,000 metric tons, down from 38,000 metric tons in 2009.

High swine and productive sow inventories will boost China's pork production four percent to an estimated 50.6 MMT in 2010. Pork imports will rebound 11 percent to 220,000 from sharply lower levels in 2009. The gains will be fueled by an expected resumption in shipments from the United States and a stronger economy. Post forecasts China's live swine and pork exports in 2010 to rise four and three percent respectively to 1.78 million head and 240,000 MT, boosted by an improving economy in key markets including Hong Kong.

Commodities:

Select

Author Defined:
Cattle and Beef

Cattle and Beef Production Continues to Slide

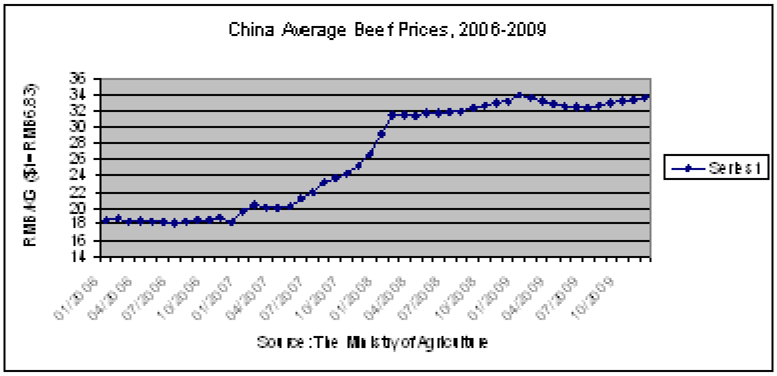
FAS Beijing forecasts Chinese beef cow beginning stocks will fall three percent to 46.5 million head in 2010, with calf production in 2010 expected to decline four percent to 41 million head. Despite high beef prices, cattle supplies continue to slide due to comparatively poor farm returns, driving beef production down an estimated five percent to 5.5 MMT in 2010.

The comparatively low returns compared to swine and poultry, longer production period, combined with expected higher feed prices and production costs in 2010 will continue to dampen cattle farmer interest in expanding placement. Cattle farmers point to the predominant cattle marketing pattern, where intermediaries do the bulk of the purchasing from backyard farmers and keep farm returns low, as a significant factor in low enthusiasm for raising cattle. Although the Chinese government introduced new subsidies in 2009 to boost local beef supplies and improve herd quality, these efforts are considered too modest to stem the decline in China's beef cattle herd.

Chinese Beef Consumption Weakened by High Prices

Lower domestic beef production in 2010 will continue to support higher domestic beef prices and lower consumption, as higher imports only partially offset the decline in local supplies. The 2009 average beef price was RMB33.09 ($4.84) per kilogram, a four percent increase from the previous year, and nearly an 80 percent increase since 2006 (see chart 1). Meanwhile, prices of substitute meats continued to fall. 2009 average pork prices dropped 22 percent to RMB18.28 ($2.68) per kilogram, while average broiler prices slid five percent to RMB13.78 ($2.02) per kilogram, making these meats an even better bargain in 2009 relative to beef. The price gap is expected to widen further in 2010.

Chart 1



Recovering Dairy Industry Drive Breeding Dairy Cow Imports
China's breeding cow imports in 2009 nearly doubled to 36,000 head fueled by strong demand from dairy operators as the industry gradually recovers from the nationwide melamine crisis in September 2008. The imports are needed to begin replacing some of the more than one million dairy cows that were eliminated from China's dairy herd following the melamine scandal Total sales are estimated to rise 25 percent in 2010 to 45,000 head. Australia and New Zealand will continue dominate live cattle supplies to China as imports of North American cattle are banned due to BSE.

Beef Imports Continue Strong
While a tiny share of total consumption, China's beef imports continue to rise rapidly, and are forecast to jump 30 percent this year to 30,000 metric tons. In 2009, these sales increased more than threefold to 23,000 metric tons, with shipments from Australia, Uruguay and New Zealand all more than doubling from the year before. While Australia is the top supplier, imports from Uruguay are rising the fastest due to competitive pricing on muscle cuts. These imports topped 6,000 metric tons and strong gains are expected in 2010. Overall, these imports are estimated at well over 100,000 metric tons in 2009.

Lower Domestic Cattle and Beef Supplies Dampen Exports
Almost all China's live cattle exports are destined to Hong Kong and Macau for slaughter, a tradition of local consumers' preference for fresh meats. Post forecasts lower China cattle supplies will reduce 2010 exports to 30,000 head, down six percent from the year before. The continued decline in China's beef cattle herd will also dampen beef supplies available for export in 2010. These shipments are forecast to decline 26 percent to 280,000 MT.

Commodities:

Select

Author Defined:
Swine and Pork

Modest Gain in Chinese Pork Production Expected in 2010
High swine and productive sow inventories in early 2010 and a strong economy will support a continued rise in Chinese pork production this year. Overall, Post projects pork output will rise 4 percent to 50.6 million tons. Total pig crop production is forecast up 3 percent to 668.5 million head in 2010. The national end-of-year swine and productive sow inventories in 2009 rose 1.32 percent and 0.64 percent respectively to 469 million and 49.1 million head from the previous year, significantly higher than government target levels. At the moment, the Chinese government guidance for the swine industry is to control

total swine inventory at 410 million head with productive sows accounting for not more than 10 percent, well below current levels (see table 1). The Chinese government continues to urge domestic swine producers to avoid expanding placements in order to prevent oversupplies.

Table 1

China Monthly Swine and Productive Sow Inventories in 2009 (1,000 Head)

Month	Total Swine	Productive Sows	Sow Ratio to Swine
January	456,160	50,100	10.98
February	445,940	49,870	11.18
March	448,610	49,420	11.02
April	454,890	49,220	10.82
May	453,250	48,800	10.77
June	447,200	48,300	10.80
July	450,060	48,060	10.68
August	458,160	48,160	10.51
September	465,160	48,400	10.41
October	469,210	48,750	10.39
November	465,900	48,700	10.45
December	469,000	49,100	10.47

Source: The Ministry of Agriculture

However, reducing China's pig crop will be difficult as the current sow inventory is considered more productive than the same time last year, as farmers increased slaughter of old or low-yield sows in late 2008 and early 2009 before prices began to fall. Sows are most productive in early years (one to four litters), so the younger sow crop in 2010 compared to 2009 will support higher production this year. Swine producers are expected to maintain high sow levels despite a risk of oversupply.

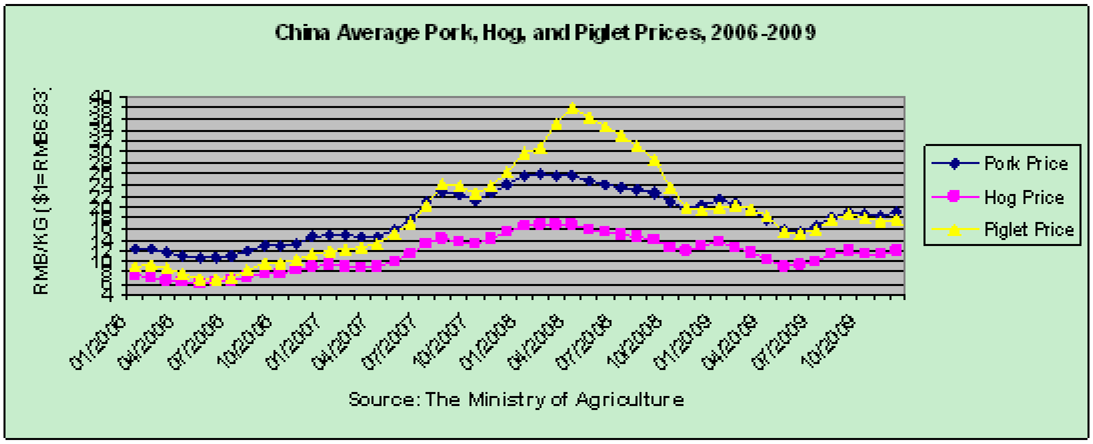
Larger-sized hog farms (with annual slaughter at or above 50 head) are becoming more important as less efficient backyard operators continue to decline as a share of total production. To encourage larger-sized hog farm development, the government provided subsidies worth RMB2.5 billion ($366 million) in 2009 targeted to improve hog raising conditions in these facilities. Overall, the Ministry of Agriculture has reported farms of 50 hogs or more now account for almost 60 percent of total slaughter, up from less than half in 2007. These larger farms are more likely to practice disease control measures and operate under contracts with slaughter facilities, making returns more predictable. Post expects further gains in larger farms as a share of total production in 2010.

Government subsidies to increase China's sow herd, introduced in the wake of the 2007 blue ear disease outbreak, have also played a significant role in increased production. The subsidy grew from RMB50 ($7.32) per head to RMB100 ($14.64) in 2009, successfully boosting the sow herd from under 40 million to nearly 50 million animals. However, while the subsidy was applied nationwide initially, only certain provinces have continued this in 2010. Separately, a sow insurance subsidy of RMB60 ($8.80) per head has continued this year.

Gradual improvement in animal genetics is also being observed, with modest government subsidies introduced in 2009. According to the "Notice of 2009 High-Quality Livestock Breeding Stocks Subsidy Program, and Implementation Guidance by the Ministry of Finance", the central government provided RMB29.6 million ($4.34 million) subsidizing breeding stock improvement in Hubei Province (one of the largest producers) which continues into 2010 covering nineteen cities and counties. Each productive sow was subsidized RMB40 ($5.87) annually for two litters with each litter using two straws of high-quality boar semen. Double-digit gains in swine feed is also improving efficiency. In 2009, swine feed production was estimated at 51.03 MMT, up 11.5 percent from the previous year.

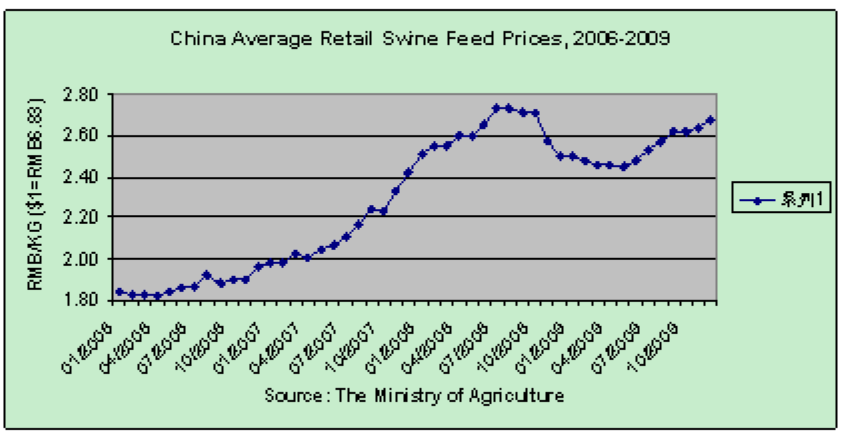
Providing steady and abundant supplies of affordable pork is considered important for social stability, as 65 percent of China's animal protein comes from pork. To stabilize prices and ensure sufficient farmer returns, the government implemented a market intervention scheme in 2009 whereby the central government purchases pork for state reserves whenever the pork/grain price ratio falls below 6. Since introduction, the government has announced purchases once, taking 120,000 MT of pork off the market in June 2009. Following the purchase, prices picked up immediately. As a result, sow inventory began rebounding in the latter half of 2009.

Chart 2



Rising feed costs remain a threat to hog producer returns. According to the China National Grain and Oil Information Center, domestic corn production declined 1.8 percent to 163 MMT in 2009 because of severe drought. On October 12, 2009 the State Council decided at its Standing Committee meeting to continue subsidizing corn, soybean, and rape seed procurements for central reserves at protective prices. On December 1, 2009, China suspended auction of temporarily reserved corn in producing areas because of lower production. In January 2010, China announced the corn procurement protective price at RMB 1,500 ($219.62) per ton, the same as the previous year. At the same time, the government allowed some feed companies involve in corn procurement for their own use beside COFCO, a state monopoly for serial and oil imports and exports. Less supply and more competition in handling procurement will most likely keep corn prices strong in 2010.

Chart 3



Pork Consumption Continues to Rise

Post forecasts Chinese total pork consumption in 2010 to rise nearly four percent to 50.6 MMT, following a five percent increase in the previous year. Strong consumer preference for pork as the meat of choice, projected robust economic growth in 2010 at nearly 9 percent, and low pork prices will all factor into further consumption gains. Consumer demand will be further bolstered by the large number of migrant workers (mostly farmers) who had lost their jobs in cities in 2008 and returned to the farm, are now back at work in urban areas as consumers of pork rather than producers.

Pork Import Ban Lifted But Trade Yet to Resume Due to Additional Certification Requirement for A-H1N1

U.S. pork implemented in late April in response to human A-H1N1 cases in the United States. However, on December 3, 2009, AQSIQ/Import and Export Food Safety Bureau notified FAS Beijing in its No. 1175 letter that it will require additional A/H1N1 influenza certification for all pork exports to China as follows: "Through monitoring and ante-mortem quarantine, the source swine population of pig products is not infected with A/H1N1 influenza. Pork products are not contaminated by the A/H1N1 influenza." The United States maintains the certification statements are unnecessary since current U.S. certification is sufficient to ensure safe trade. Bilateral negotiations are continuing.

Chinese Pork Imports Reduced by Higher Chinese Production and A-H1N1 Import Ban

Higher Chinese pork production in 2009 lowered import demand most of the year, well more than offsetting strong import levels toward the end of 2009 as prices rebounded. Overall, China's pork imports (including offals, casings, and trans-shipments through Hong Kong) in 2009 declined by roughly one-third to 650,000 metric tons. Since China banned U.S. pork after April 27, 2009 due to human cases of A-H1N1, shipments from the EU became more important in 2009, accounting for well over half of sales. Canadian pork comprised most of the remainder. 2009 shipments from the United States totaled just over 100,000 metric tons, down from 349,000 metric tons in 2008.

Fueled by a stronger Chinese economy in 2010, Post projects China's pork imports will rebound in 2010 despite continued gains in Chinese production. An expected resumption in imports from the United States in 2010 will also support higher imports. While offals are the primary pork import, there is also strong interest in imported leg and shoulder meat, picnics and ribs for use by food processors and foodservice operators.

Lower Live Swine Imports due to A-H1N1 Import Ban

China's imports of live breeding swine fell from over 10,000 head in 2008, to under 3,000 head last year, due to China's A-H1N1 ban on swine from North America. North America accounts for nearly all China's live hog imports. Interest among Chinese producers for U.S. hogs remains strong. However, following an expected market opening in early 2010 as H1N1 concerns continue to wane, sales could be limited compared to 2008 by an oversupply of sows and expiration of sow subsidies in most Chinese provinces. Long term, China's need for swine genetic improvement will continue to boost sales for U.S. hogs, as the quality characteristics of U.S. breeding swine are well-known and widely accepted by Chinese swine producers

Steady Growth in Live Swine and Pork Exports

China only exports live swine to Hong and Macau for slaughter. As Hong Kong's economy is recovering from an impact of the world financial crisis, Hong Kong's demand for fresh pork from hogs slaughtered in Hong Kong is expected higher in 2010. Post expects China's total live swine exports to increase nearly four percent to forecast 1.78 million head in 2010.

China's total pork exports in 2010 are forecast to increase three percent to 240,000 MT fueled by higher demand in export markets. Southeast Asian countries or areas are China's main export markets with Hong Kong market accounting for over 50 percent of China's total exports. Post expects exports to Japan will decline in 2010, dampened by higher Japanese production and stocks.

Commodities:

Select

Author Defined:
Statistics Tables

Cattle and PS&D Table

Animal Numbers, Cattle China	2008	2009	2010	
	2008	2009	2010	

	Market Year Begin: Jan 2008			Market Year Begin: Jan 2009			Market Year Begin: Jan 2010			
	USDA Official Data		New Post Data	USDA Official Data		New Post Data	USDA Official Data		Jan Data	
Total Cattle Beg. Stks	105,948	105,948	105,948	105,722	105,722	105,722	104,900	104,900	104,916	(1000 HEAD)
Dairy Cows Beg. Stocks	12,259	12,259	12,259	12,335	12,335	12,335	12,450	12,450	12,450	(1000 HEAD)
Beef Cows Beg. Stocks	49,700	49,700	49,700	48,000	48,000	48,000	46,500	46,500	46,500	(1000 HEAD)
Production (Calf Crop)	45,360	45,360	45,360	42,572	42,572	42,572	41,500	41,500	41,000	(1000 HEAD)
Intra-EU Imports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Imports	15	15	15	18	18	36	21	21	45	(1000 HEAD)
Total Imports	15	15	15	18	18	36	21	21	45	(1000 HEAD)
Total Supply	151,323	151,323	151,323	148,312	148,312	148,330	146,421	146,421	145,961	(1000 HEAD)
Intra EU Exports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Exports	33	33	33	30	30	32	28	28	30	(1000 HEAD)
Total Exports	33	33	33	30	30	32	28	28	30	(1000 HEAD)
Cow Slaughter	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Calf Slaughter	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Slaughter	44,461	44,461	44,461	42,382	42,382	42,382	40,744	40,744	40,929	(1000 HEAD)
Total Slaughter	44,461	44,461	44,461	42,382	42,382	42,382	40,744	40,744	40,929	(1000 HEAD)
Loss	1,107	1,107	1,107	1,000	1,000	1,000	1,000	1,000	1,100	(1000 HEAD)
Ending Inventories	105,722	105,722	105,722	104,900	104,900	104,916	104,649	104,649	103,902	(1000 HEAD)
Total Distribution	151,323	151,323	151,323	148,312	148,312	148,330	146,421	146,421	145,961	(1000 HEAD)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 HEAD)
CY. Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Balance	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Inventory Balance	-226	-226	-226	-822	-822	-806	-251	-251	-1014	(1000 HEAD)
Inventory Change	1	1	1	0	0	0	-1	-1	-1	(PERCENT)
Cow Change	0	0	0	-3	0	0	-2	0	0	(PERCENT)
Production Change	0	-1	-1	-6	-6	-6	-3	-3	-4	(PERCENT)
Production to Cows	73	73	73	71	71	71	70	70	70	(PERCENT)
Trade Balance	18	18	18	12	12	-4	7	7	-15	(1000 HEAD)
Slaughter to Inventory	42	42	42	40	40	40	39	39	39	(PERCENT)
TS=TD			0			0			0	

(This is not official PS&D. Please refer to http://www.fas.usda.gov/psdonline for official data.)

Beef and Veal PS&D Table

Meat, Beef and Veal China	2008			2009			2010			
	2008			2009			2010			
	Market Year Begin: Jan 2008			Market Year Begin: Jan 2009			Market Year Begin: Jan 2010			
	USDA Official Data		New Post Data	USDA Official Data		New Post Data	USDA Official Data		Jan Data	
Slaughter (Reference)	44,461	44,461	44,461	42,382	42,382	42,382	40,744	40,264	40,928	(1000 HEAD)
Beginning Stocks	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Production	6,132	6,132	6,132	5,764	5,764	5,764	5,530	5,476	5,500	(1000 MT CWE)
Intra-EU Imports	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Other Imports	6	8	8	20	15	23	25	18	30	(1000 MT CWE)
Total Imports	6	8	8	20	15	23	25	18	30	(1000 MT CWE)
Total Supply	6,138	6,140	6,140	5,784	5,779	5,787	5,555	5,494	5,530	(1000 MT CWE)
Intra EU Exports	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Other Exports	58	58	58	33	33	38	25	25	28	(1000 MT CWE)
Total Exports	58	58	58	33	33	38	25	25	28	(1000 MT CWE)
Human Dom. Consumption	6,080	6,082	6,082	5,751	5,746	5,749	5,530	5,469	5,502	(1000 MT CWE)
Other Use, Losses	0	0	0	0	0	0	0	0		(1000 MT CWE)
Total Dom. Consumption	6,080	6,082	6,082	5,751	5,746	5,749	5,530	5,469	5,502	(1000 MT CWE)
Ending Stocks	0	0	0	0	0	0	0	0		(1000 MT CWE)
Total Distribution	6,138	6,140	6,140	5,784	5,779	5,787	5,555	5,494	5,530	(1000 MT CWE)
CY Imp. from U.S.	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
CY. Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Balance	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Inventory Balance	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Weights	138	138	138	136	136	136	136	136	134	(1000 MT CWE)
Production Change	0	-1	0	-6	-6	-6	-4	-5	-5	(PERCENT)
Import Change	-50	67	-50	233	88	188	25	20	30	(PERCENT)
Export Change	-28	-28	-28	-43	-43	-34	-24	-24	-26	(PERCENT)
Trade Balance	52	50	50	13	18	15	0	7	-2	(1000 MT CWE)
Consumption Change	0	0	0	-5	-6	-5	-4	-5	-4	(PERCENT)
Population	1,330,044,605	1,330,044,605	1,330,044,605	1,338,612,968	1,338,612,968	1,338,612,968	1,347,563,498	1,347,563,498	1,347,563,498	(HEAD)
Per Capita Consumption	5	5	5	4	4	4	4	4	4	(KG)
TS=TD			0			0			0	

(This is not official PS&D. Please refer to http://www.fas.usda.gov/psdonline for official data.)

Cattle and Beef Trade Matrices

China Live Cattle Imports by Reporting Countries Export Statistics					
2007-2009 (Year-to-Date) (Number of Head)					
	Jan-Dec	Jan-Dec	Jan-Nov		Jan-Nov
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2007	2008	2008	2009	2009/08

World	14,744	15,075	12,283	36,195	194.68
Australia	11,344	12,416	9,359	26,043	178.27
New Zealand	3,400	2,651	2,668	10,028	275.86
Other	0	8	256	124	-51.56
Source: GTA					
HS Codes: 010210, 010290					
Note: As of 2009, China changed its live cattle imports and exports from the number of head to metric tons. This table uses exporting countries' reports in number of head.					

China Direct Beef and Veal Imports, 2007-2009, 2007-2009 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	Quantity	Quantity	Quantity	% Change
Origin	2007	2008	2009	2009/08
World	3,924	4,424	14,275	222.67
Australia	2,195	2,712	5,558	104.94
Uruguay	920	1,464	5,163	252.66
New Zealand	457	173	2,505	1347.98
Brazil	333	33	933	2727.27
United States	0	0	0	0.00
Canada	0	0	0	0.00
Other	19	42	114	171.43
HS Code: 020311, 020312, 020319, 020321, 020322, 020329, 021011 021012, 021019, 160241, 160242, and 160249				
Source: GTA China Statistics				
Note: Hong Kong Re-exports to Mainland China is in a separate table.				

Hong Kong Beef and Veal Re-Exports to Mainland China, 2007-2009 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	Quantity	Quantity	Quantity	% Change
Origin	2007	2008	2009	2009/08
World	1,997	1,064	2,180	104.89
Brazil	718	754	1,457	93.24
Argentina	219	28	326	1064.29
United States	435	160	139	-13.13
Canada	23	25	25	0.00
New Zealand	38	47	0	-100.00
Other	564	53	233	339.62
HS Code: 020110, 020120, 020130, 020210, 020220, 020230, 021020 and 160250				
Source: WTA Hong Kong Census and Statistics Department				

China Live Cattle Exports, 2007-2009 (Number of Head)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	Quantity	Quantity	Quantity	% Change
Destination	2007	2008	2009	2009/08
World	50,888	33,340	31,758	-2.81
Hong Kong	42,275	29,485	28,657	30.26
Macau	5,517	2,946	3,838	-82.72
Mongolia	143	301	52	#DIV/0!
Korea North	450	0	4	-100.00
Uzbekistan	512	512	0	#DIV/0!

Malaysia	1,813	0	0	-93.75
Other	178	96	6	#DIV/0!
HS Code: 010210, 010290				
Source: GTA China Statistics, and Hong Kong Census and Statistics Department				
Note: As of 2009, China changed its live cattle imports and exports from number of				
head to metric tons. The Chinese industry's conversion is at 4 live cattle for 1 MT.				
Post uses the industry's conversion if the importing countries' statistics in number				
of head not available.				

China Beef and Veal Exports, 2007-2009 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Nov
	Quantity	Quantity	Quantity	% Change
Destination	2007	2008	2009	2009/08
World	58,206	41,594	27,183	-34.65
Hong Kong	15,815	14,276	11,392	-20.20
Japan	8,365	5,449	4,846	-11.07
Kuwait	3,825	3,188	3,192	0.13
Kyrgyzstan	1,925	2,149	2,042	-4.98
Jordan	5,530	4,414	2,019	-54.26
Malaysia	2,631	1,837	995	-45.84
Israel	0	568	417	-26.58
Angola	675	603	330	-45.27
Brunei	73	291	267	-8.25
Macau	338	248	223	-10.08
Korea South	10,296	3,948	196	-95.04
Lebanon	1,937	996	191	-80.82
Qatar	366	277	98	-64.62
Korea North	913	180	85	-52.78
United Arab Emirates	761	660	72	-89.09
Indonesia	1,188	15	27	80.00
Libya	75	618	0	-100.00
Other	3,493	1,877	791	-57.86
HS Code: 020110, 020120, 020130, 020210, 020220, 020230, 021020 and 160250				
Source: GTA China Customs Statistics				

China Retail Beef Prices on Average, 2006-2009 (RMB/KG, $1=RMB6.83)					
	2006	2007	2008	2009	‘% Change, 2009/08
January	18.55	19.64	29.11	33.90	16.45
February	18.65	20.35	31.40	33.72	7.39
March	18.37	20.14	31.42	33.13	5.44
April	18.33	20.07	31.55	32.81	3.99
May	18.31	20.28	31.73	32.60	2.74
June	18.32	21.21	31.82	32.53	2.23
July	18.27	22.02	31.92	32.46	1.69
August	18.40	23.13	32.02	32.70	2.12
September	18.57	23.69	32.39	32.96	1.76
October	18.54	24.36	32.74	33.15	1.25
November	18.86	25.27	32.98	33.35	1.12
December	18.21	26.65	33.25	33.73	1.44
Source: The Ministry of Agriculture					

Swine and Pork PS&D Table

Animal Numbers, Swine China	2008			2009			2010			
	2008			2009			2010			
	Market Year Begin: Jan 2008			Market Year Begin: Jan 2009			Market Year Begin: Jan 2010			
	USDA Official Data		New Post Data	USDA Official Data		New Post Data	USDA Official Data		Jan Data	
Total Beginning Stocks	439,895	439,895	439,895	462,913	462,913	462,913	485,005	485,005	469,000	(1000 HEAD)
Sow Beginning Stocks	47,416	47,416	47,416	50,100	50,100	50,100	49,800	49,800	49,100	(1000 HEAD)
Production (Pig Crop)	636,817	636,817	636,817	667,669	667,669	651,682	668,500	668,500	668,500	(1000 HEAD)
Intra-EU Imports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Imports	12	12	12	4	4	4	4	4	3	(1000 HEAD)
Total Imports	12	12	12	4	4	4	4	4	3	(1000 HEAD)
Total Supply	1,076,724	1,076,724	1,076,724	1,130,586	1,130,586	1,114,599	1,153,509	1,153,509	1,137,503	(1000 HEAD)
Intra EU Exports	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Exports	1,645	1,645	1,645	1,700	1,700	1,718	1,740	1,740	1,780	(1000 HEAD)
Total Exports	1,645	1,645	1,645	1,700	1,700	1,718	1,740	1,740	1,780	(1000 HEAD)
Sow Slaughter	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Other Slaughter	610,166	610,166	610,166	641,381	641,381	641,381	657,840	657,840	661,500	(1000 HEAD)
Total Slaughter	610,166	610,166	610,166	641,381	641,381	641,381	657,840	657,840	661,500	(1000 HEAD)
Loss	2,000	2,000	2,000	2,500	2,500	2,500	1,500	1,500	2,500	(1000 HEAD)
Ending Inventories	462,913	462,913	462,913	485,005	485,005	469,000	492,429	492,429	471,723	(1000 HEAD)
Total Distribution	1,076,724	1,076,724	1,076,724	1,130,586	1,130,586	1,114,599	1,153,509	1,153,509	1,137,503	(1000 HEAD)
CY Imp. from U.S.	7	7	7	2	2	4	0	2	0	(1000 HEAD)
CY. Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Balance	0	0	0	0	0	0	0	0	0	(1000 HEAD)
Inventory Balance	23,018	23,018	23,018	22,092	22,092	6,087	7,424	7,424	2,723	(1000 HEAD)
Inventory Change	5	5	5	5	5	5	5	5	1	(PERCENT)
Sow Change	7	7	7	6	6	6	(1)	(1)	(2)	(PERCENT)
Production Change	8	7	8	5	5	2	0	0	3	(PERCENT)
Production to Sows	13.	13.	13.4	13.	13.	13.	13.	13.	13.6	(PERCENT)
Trade Balance	1,633	1,633	1,633	1,696	1,696	1,714	1,736	1,736	1,777	(1000 HEAD)
Slaughter to	139	139	139	139	139	139	136	136	141	(PERCENT

Inventory										)
TS=TD			0			0			0	

(This is not official PS&D. Please refer to http://www.fas.usda.gov/psdonline for official data.)

Pork PS&D Table

Meat, Swine China	2008			2009			2010			
	2008			2009			2010			
	Market Year Begin: Jan 2008			Market Year Begin: Jan 2009			Market Year Begin: Jan 2010			
	USDA Official Data		New Post	USDA Official Data		New Post	USDA Official Data		Jan	
			Data			Data			Data	
Slaughter (Reference)	610,166	610,166	610,166	641,381	641,381	641,381	657,840	657,840	661,500	(1000 HEAD)
Beginning Stocks	0	0	0	0	0	0	120	120	120	(1000 MT CWE)
Production	46,205	46,205	46,205	48,500	48,500	48,890	50,300	50,300	50,600	(1000 MT CWE)
Intra-EU Imports	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Other Imports	430	437	437	150	150	198	120	120	220	(1000 MT CWE)
Total Imports	430	437	437	150	150	198	120	120	220	(1000 MT CWE)
Total Supply	46,635	46,642	46,642	48,650	48,650	49,088	50,540	50,540	50,940	(1000 MT CWE)
Intra EU Exports	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Other Exports	223	223	223	230	230	233	240	240	240	(1000 MT CWE)
Total Exports	223	223	223	230	230	233	240	240	240	(1000 MT CWE)
Human Dom. Consumption	46,412	46,419	46,419	48,300	48,300	48,735	50,300	50,180	50,580	(1000 MT CWE)
Other Use, Losses	0	0		0	0	0	0	0	0	(1000 MT CWE)
Total Dom. Consumption	46,412	46,419	46,419	48,300	48,300	48,735	50,300	50,180	50,580	(1000 MT CWE)
Ending Stocks	0	0	0	120	120	120	0	120	120	(1000 MT CWE)
Total Distribution	46,635	46,642	46,642	48,650	48,650	49,088	50,540	50,540	50,940	(1000 MT CWE)
CY Imp. from U.S.	237	190	190	100	100	50	80	80	50	(1000 MT CWE)
CY. Exp. to U.S.	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Balance	0	0	0	0	0	0	0	0	0	(1000 MT CWE)
Inventory Balance	0	0	0	120	120	120	-120	0	0	(1000 MT CWE)
Weights	76	76	76	76	76	76	76	76	76	(1000 MT CWE)
Production Change	8	8	8	5	5	6	4	4	3	(PERCENT)
Import Change	117	117	117	-66	-66	-55	-20	-20	11	(PERCENT)
Export Change	-36	-36	-36	3	3	4	4	4	3	(PERCENT)
Trade Balance	-207	-214	-214	80	80	35	120	120	20	(1000 MT CWE)
Consumption Change	9	8	9	4	4	5	4	4	4	(PERCENT)
Population	1,330,044,605	1,330,044,605	1,330,044,605	1,338,612,968	1,338,612,968	1,338,612,968	1,347,563,498	1,347,563,498	1,347,563,498	(HEAD)
Per Capita Consumption	35	35	35	36	36	36	37	37	38	(KG)
TS=TD			0			0			0	

(This is not official PS&D. Please refer to http://www.fas.usda.gov/psdonline for official data.)

Swine and Pork Trade Matrices

China Swine Imports by Reporting Countries' Export Statistics

2007-2009 (Year-to-Date) (Number of Head)					
	Jan-Dec	Jan-Dec	Jan-Nov		Jan - Nov
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2007	2008	2008	2009	2009/08
World	2,506	11,613	6,170	4,490	-27.23
United States	194	7,086	6,215	4,175	-32.82
France	270	0	0	315	0.00
Canada	1780	3,876	0	0	0.00
Denmark	0	126	45	0	-100.00
United Kingdom	262	525	0	0	0.00
Other	0	0	0	0	0.00
HS Code: 010310, 010391, 010392					
Source: GTA					
Note: As of 2009, China changed its swine imports and exports from the number of					
head to metric tons. This table uses exporting countries' reports in number of head.					

China Pork Imports by Reporting Countries' Export Statistics					
2007-2009 (Year-to-Date) (Metric Tons)					
	Jan-Dec	Jan-Dec	Jan - Nov		Jan - Nov
	Quantity	Quantity	Quantity Comparison		% Change
Origin	2007	2008	2008	2009	2009/08
World	97,745	158,779	151,914	73,200	-51.81
United States	67,979	112,964	109,305	24,310	-77.76
Canada	17,576	17,801	16,099	17,059	5.96
Denmark	4,319	6,445	6,101	10,500	72.10
France	3,792	13,315	12,952	6,809	-47.43
Spain	73	169	24	5,567	0.00
United Kingdom	149	2,398	1,991	1,460	-26.67
Taiwan	205	493	491	271	-44.81
Belgium	960	558	558	77	-86.20
Netherlands	668	1,052	1,052	55	-94.77
Ireland	756	2,727	2,490	25	-99.00
Other	1,268	857	851	7,067	730.43
HS Code: 020311, 020312, 020319, 020321, 020322, 020329, 021011 021012,					
021019, 160241, 160242, and 160249					
Source: GTA					
Note: Hong Kong re-exports to Mainland China is in a separate table.					

Hong Kong Pork Re-Exports to Mainland China, 2007-2009 (Metric Tons				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	Quantity	Quantity	Quantity	% Change
Origin	2007	2008	2009	2009/08
World	53,696	177,356	72,756	-58.98
Germany	8,991	27,161	13,730	-49.45
United States	1,980	33,483	11,474	-65.73
Canada	641	18,576	9,827	-47.10
Spain	11,266	24,705	9,285	-62.42
Brazil	6,220	8,272	5,046	-39.00
Netherlands	4,809	14,068	3,586	-74.51

Italy	3,520	8,854	3,096	-65.03
France	2,949	4,045	3,076	-23.96
United Kingdom	791	4,116	3,035	-26.26
Poland	2,478	7,692	2,351	-69.44
Demark	3,132	6,134	2,105	-65.68
Ireland	803	3,144	890	-71.69
Belgium	2,639	3,733	818	-78.09
Hungary	736	2,596	459	-82.32
Chile	454	1,220	320	-73.77
Austria	251	982	274	-72.10
Sweden	26	592	164	-72.30
Australia	48	979	49	-94.99
Other	1,962	7,004	3,171	-54.73
HS Code: 020311, 020312, 020319, 020321, 020322, 020329, 021011, 021012, 021019, 160241, 163242, and 160249 Source: WTA Hong Kong Census and Statistics Department				

China Swine Exports, 2007-2009 (Number of Head)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	Quantity	Quantity	Quantity	% Change
Destination	2007	2008	2009	2009/08
World	1,609,008	1,645,257	1,717,592	4.40
Hong Kong	1,491,689	1,546,517	1,601,987	3.59
Macau	116,712	98,597	115,605	17.25
Korea North	374	0	0	0.00
Other	233	143	0	-100.00
HS Code: 010310, 010391, 010392				
Source: GTA China Statistics; GTA Hong Kong Census and Statistics Department Note: As of 2009, China changed its swine imports and exports from the number of head to metric tons. The Chinese industry's conversion is at 15 swine for 1 MT. Post uses the industry conversion if the importing countries' statistics in number of head are not available.				

China Pork Exports, 2007-2009 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan-Dec
	Quantity	Quantity	Quantity	% Change
Destination	2007	2008	2009	2009/08
World	269,099	170,999	178,509	4.39
Hong Kong	107,431	87,396	97,533	11.60
Japan	74,429	43,016	40,060	-6.87
Kyrgyzstan	10,172	8,437	8,734	3.52
Singapore	6,456	4,494	7,397	64.60
Philippines	9,525	3,541	6,421	81.33
Malaysia	7,934	7,142	5,576	-21.93
Macau	5,171	4,622	4,984	7.83
Albania	5,158	519	1,671	221.97
Indonesia	1,291	2,097	1,559	-25.66
Korea South	433	465	351	-24.52
Angola	356	61	278	355.74
Vietnam	9,632	1,985	98	-95.06
Russia	822	71	71	0.00

Lebanon	694	636	69	-89.15
Korea North	21,166	2,214	25	-98.87
Kazakhstan	2,282	0	0	0.00
Other	6,147	4,303	3,682	-14.43
HS Code: 020311, 020312, 020319, 020321, 020322, 020329, 021011 021012, 1021019, 60241, 160242 and 160249				
Source: GTA China Customs Statistics				

Swine and Pork Price Tables

China Retail Pork Prices On Average, 2006-2009 (RMB/KG, $1=RMB6.83)					
					% Change
MONTH	2006	2007	2008	2009	2009/08
January	12.43	14.91	25.53	21.25	-16.76
February	12.18	14.97	26.08	20.62	-20.94
March	11.65	14.50	25.56	19.30	-24.49
April	11.13	14.39	25.68	17.60	-31.46
May	10.71	15.86	24.71	15.68	-36.54
June	10.58	17.74	24.10	15.46	-35.85
July	11.06	20.77	23.58	16.27	-31.00
August	12.01	22.95	23.18	17.94	-22.61
September	12.82	22.10	22.59	18.97	-16.02
October	12.99	21.15	20.86	18.71	-10.31
November	13.35	22.35	19.46	18.47	-5.09
December	14.40	24.05	20.34	19.11	-6.05
Source: The Ministry of Agriculture					

China Retail Hog Prices On Average 2006-2009 (RMB/KG, $1=RMB6.83)					
					% Change
MONTH	2006	2007	2008	2009	2009/08
January	7.40	9.55	16.50	13.41	-18.73
February	7.11	9.20	16.70	12.70	-23.95
March	6.68	8.91	16.83	11.63	-30.90
April	6.21	9.02	16.87	10.35	-38.65
May	5.96	10.20	15.77	9.24	-41.41
June	6.08	11.37	15.35	9.33	-39.22
July	6.47	13.12	14.82	10.13	-31.65
August	7.17	14.27	14.47	11.38	-21.35
September	7.84	13.60	13.86	11.85	-14.50
October	7.93	13.21	12.50	11.47	-8.24
November	8.33	14.13	11.90	11.40	-4.20
December	9.18	15.46	12.91	12.09	-6.35
Source: The Ministry of Agriculture					

China Retail Piglet Prices On Average 2006-2009 (RMB/KG, $1=RMB6.83)					
					% Change
MONTH	2006	2007	2008	2009	2009/08
January	9.24	12.12	29.66	20.06	-32.37
February	9.48	12.26	30.62	20.11	-34.32
March	8.85	12.68	35.29	19.75	-44.04
April	7.82	13.31	38.23	18.27	-52.21
May	6.98	15.09	36.11	15.41	-57.32
June	6.84	17.17	34.55	15.08	-56.35
July	7.05	20.11	33.01	15.88	-51.89

August	8.31	24.09	30.94	17.74	-42.66
September	9.60	23.70	28.55	18.78	-34.22
October	9.85	22.62	23.44	18.14	-22.61
November	10.25	23.84	20.02	17.39	-13.14
December	11.44	26.21	19.42	17.55	-9.63
Source: The Ministry of Agriculture					